



Lands – North Slave Region

May 9th 2019

**Dominion Diamond Mine
900 606 4th St. SW
Calgary AB, X2P 1T1**

**Land Use Permit
W2016D0003
Sable Development**

Attn: Claudine Lee – Head Environment and Community

Re: April 9th 2019 Land Use Permit Inspection W2016D0003

Dear Ms. Lee,

On April 9th 2019, a Land Use Inspection was conducted on the Sable Development by Jamie Steele Manager, Diamond Resource Management. On this inspection the Manager/GNWT Lands Inspector was accompanied and assisted by Mr. Dustin Chaffee.

The inspection was conducted to ensure that all operating conditions annexed to the above noted land use permit are being adhered to during this operation. This report provides comments based on general observations and highlights any concerns or items that should be addressed by the Licensee / Permittee.

The following area was inspected and the details of the findings are included in the attached report:

- Site Roads, Laydown Areas and Sable Haul Road
- Refueling Station
- Tank Farm Spill #2019127

The Inspector noted one concern while inspecting the Sable Tank Farm. Access to the spill site was difficult due to the stairways being blown in with snow. The Inspector recommends that access to the containment berm be maintained to help facilitate inspections for the Inspector and for Dominion Staff.

Attached / enclosed is the full Inspection Report along with related site photographs.

If you have any questions or concerns please contact the undersigned at (867) 767-9187 extension 24188. Thank you for your continued cooperation.

Sincerely,



Jamie Steele
Manager, Diamond Resource Management,
Department of Lands
North Slave Region
Jamie.Steele@gov.nt.ca

cc: Ms. Megan Schnurr – Regulatory Specialist, Wek'èezhìi Land and Water Board
Ms. Roberta Judas – Regulatory Technician, Wek'èezhìi Land and Water Board
Mr. Marc Casas – Executive Director, Independent Environmental Monitoring Agency
Ms. Shannon Moore – Communications and Administrative Specialist, Independent Environmental Monitoring Agency

ENVIRONMENTAL INSPECTION REPORT

Permittee: Dominion Diamond Mine	Inspection Date: April 9 th 2019
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	Permit Expiry Date	Last Previous Inspection
Land Use Permit No.	W2016D0003	May 11 2021
Quarrying Permit No.	N/A	July 4 th 2018
Contractor:	N/A	Subcontractor: N/A

Location(s) Inspected:	Site Roads and Laydown Areas Bulk Fuel Storage
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Current Stage of Operation:	Active Mining
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Program Modifications Approved:	N/A
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Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable "*" - Cautionary Remark

	Operating Condition	Aspect Inspected		Refers to Permit or License Requirement
		Office complex, laydowns, site roads	Tank Farm	Condition (*An Asterisk denotes a cautionary remark)
A	Location and Area	A	A	Office complex located at Zone 12 522320 7191970
B	Time	A	A	Inspector was given 48 hour notice on commencement of this land-use operation on June 27 th 2016.
C	Type and Size of Equipment	A	A	
D	Methods and Techniques	A	A	
E	Type, Location, Capacity and Operation of All Facilities	A	A	
F	Control or Prevention of Ponding of Water, Flooding, Erosion, Slides and Subsidence of Land	A	A	
G	Use, Storage, Handling and Ultimate Disposal of Any Chemical or Toxic Material	A	A	
H	Wildlife and Fisheries Habitat	A	A	

I	Storage, Handling and Disposal of Refuse or Sewage	A	A	Sewage is pumped out daily and disposed of at main camp facilities. Garbage is trucked to main camp daily or as required.
J	Protection of Historical, Archeological and Burial Sites	A	A	
K	Objects and Places of Recreational, Scenic or Ecological Value	N/A	NA	
L	Security Deposit	A	A	
M	Fuel Storage	A	A	A second significant spill (Spill #2019127) has occurred in the Sable Fuel Tank Farm. Dominion has submitted a follow-up report to the Inspector and the WLWB as per condition 18 of the permit. See attached notes for more details.
N	Methods and Techniques for Debris and Brush Disposal	N/A	N/A	
O	Restoration of the Lands	A	A	
P	Display of Permits and Permit Numbers	A	A	Permit is posted at the office complex.
Q	Matters Not Inconsistent with the Regulations	A	A	
R	Sections 8 to 16 M.V.L.U.R.	A	A	

ENVIRONMENTAL INSPECTION REPORTDate: April 9th 2019

Permit #: W2016D0003

Notes / Explanatory Cautionary Remark

An Inspection of the Sable Development was conducted by Jamie Steele, Inspector/Manager-Diamond Resource Management. The Inspector was accompanied and assisted by Mr. Dustin Chaffee, Environment Specialist – Permitting. The inspection was conducted to ensure that all operating conditions annexed to the above noted land use permit are being adhered to during this operation.

Site Roads, Laydown areas and Sable Haul Road

A parked Snow Cat was waiting for repairs along the Sable road. The Inspector noted some minor hydrocarbon drips coming from the hydraulic system. The inspector recommends that a drip tray be installed under any equipment that is leaking hydrocarbons, or is parked for more than two hours as per condition 37 of the Permit (Photos 1 and 2).

The Sable laydown area was clean and well maintained. Two light plants were parked in the laydown and were equipped with integrated drip trays. The spill pads within the drip trays had been saturated with oil and needed to be changed out. A follow-up email was received from Dominion indicating that the concern had been addressed by the Surface Mining team (Photos 3 and 4).

Sable Refueling Station

The Sable refueling station was clean and well organized. There was some slight spillage within the containment tray that has left a residue in the snow. Contaminated snow was being collected in a labelled drum for disposal in the Contaminated Snow Containment Facility (CSCF). The refueling area had fully stocked spill kits that were easily accessible to respond to potential spills as per condition 36 of the permit (Photos 5 through 8).

Tank Farm Spill #2019127

On March 20th 2019 the 9000L generator day tank within the Sable Fuel Farm containment berm was overfilled due to a frozen high level switch which prevented the automatic shutoff. Approximately 111,000L of diesel was spilled into the containment berm. A follow-up report submitted to the Inspector and the WLWB indicates that approximately 51,000L of diesel has been recovered from the containment berm and pumped back into the fuel tank. The remaining product will need to be recovered once the snow has melted in the spring. Once the snow has melted, the aggregate has thawed out, and the free product has been recovered; the clean-up efforts will begin within the containment berm. Great care should be exercised to ensure that there is no damage to the containment berm liner during the clean-up, and heavy equipment should be avoided.

The spill occurred in the exact location of a previous open spill in the containment berm. The inspector has closed the old spill (#2017450) in the ENR Spills Database, and clean-up efforts will be monitored under the most recent Spill (#2019127).

The diesel spill appears to be 100% contained within the containment berm and the berm is functioning as designed. The containment berm and the access points were blown in with snow which made inspecting the site difficult for the Inspector. The inspector recommends that access to the day tank be maintained to help facilitate inspections for both the Inspector and Dominion staff. Follow-up inspections will occur on a regular basis to monitor clean-up efforts and ensure that the spill remains contained in the containment berm (Photos 9 through 12).

Completed off site

Jamie Steele

Representative's Signature

GNWT Lands Inspector

Inspector's Signature



Photo 1 – Sable Haul Road – A Snow Cat was parked on the side of the Sable Road requiring maintenance.



Photo 2 – Sable Haul Road – The Snow Cat had some small hydrocarbon drips and requires a drip tray as per Condition 37 of the Permit.



Photo 3 – Sable Laydown – Light plants are staged in the sable laydown. These light plants are equipped with integrated drip trays that satisfy Condition 37 of the Permit.



Photo 4 – Sable Laydown – This drip tray has spill pads that have become saturated with oil and will need to be addressed. Dominion has submitted a follow-up email to the Inspector indicating that this concern had been addressed shortly after the inspection.



Photo 5 – Sable Refueling Station – The Sable refueling station was clean and well organized.



Photo 6 – Sable Refueling Station – Spill response materials were fully stocked and easily accessible.



Photo 7 – Sable Refueling Station – Some minor spillage was identified within the containment tray at the refueling station.



Photo 8 – Sable Refueling Station – Contaminated snow is disposed of in a marked container. Containers are emptied in the Contaminated Snow Containment Facility (CSCF).



Photo 9 – Tank Farm Spill #2019127 – The 9000L generator day tank was overfilled when the automatic shutoff switch froze open.



Photo 10 – Tank Farm Spill #2019127 – Access to the day tank in the sable fuel farm was snowed in, which made the tank difficult to inspect. The Inspector recommends better maintenance at the access points to the tank farm containment to facilitate inspections.



Photo 11 – Tank Farm Spill #2019127 – Access to the day tank in the sable fuel farm was snowed in which made the tank difficult to inspect. The Inspector recommends better maintenance at the access points to the tank farm containment to facilitate inspections.



Photo 12 – Tank Farm Spill #2019127 – 100% of the diesel spilled was within lined containment and the containment berm worked as designed. There was no evidence of seepage from the berm at the time of inspection.